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411 Foreign Agents Get Rich Wooing the Yankee Dollar

By United Press International

WASHINGTON.

Among the "hidden persuaders" who try to influence United States public opinion and public policy are several hundred well-paid Americans who are agents of foreign governments.

Relatively few work for Communist countries. The vast majority are in the hire of non-Communist nations which want something—such as financial aid or trade concessions—from the U. S.

Their lobbying activities, usually carried on as quietly as possible, were briefly spotlighted last month when Congress enacted a bill regulating U. S. sugar imports for the next two years. Under this legislation, 24 foreign countries received quotas entitling them to sell sugar to American consumers at a price about 2.8 cents a pound above the world market. As a result of its passage, 26 Washington lobbyists will collect about \$500,000 in fees.

Sway Public Opinion

Lobbying on Capitol Hill is not the only activity of these foreign agents. They also employ public relations techniques to create favorable public opinion in America for their clients. It is not illegal for an American or foreigner to serve as the agent of a foreign power, provided he registers as such with the Justice Department, submits periodic reports of his activities and labels any political propaganda he disseminates in this country by stating plainly it emanates from a registered foreign agent.

Whether this law is being adequately enforced and whether additional legislation may be needed are questions of immediate interest to the Senate Foreign Relations Committee.

Chairman J. William Fulbright, D. Ark., has put a staff of investigators to work digging into what he calls "attempts by foreign governments, or their agents, to influence the conduct of American foreign policy by techniques outside normal diplomatic channels."

'Increasing Concern'

A preliminary report says there is "increasing concern" about the use of "non-diplomatic representatives" to get results which a nation may be unable to get through its normal diplomatic dealings with the U. S. government.

"There is quite a bit of evidence," said an investigator, "that some countries are using these agents to make an end-run around the President and the State Department."

Foreign lobbyists who deliver the goods are highly paid. Washington attorney Charles Patrick Clark gets \$87,500 a year from Generalissimo Francisco Franco for "promoting and encouraging friendly and understanding relations and good will between the United States and Spain."

W. German 'Image'

As an ex-enemy nation, West Germany also has displayed a great interest in improving its U. S. "image." According to its official registration reports, the Julius Klein public relations firm of Chicago receives about \$250,000 a year for "disseminating information in the United States so that the American people may know, understand and support the fact that West Germany is a political, economic and military ally of the world democracies."

The Senate Foreign Relations Committee staff strongly implied in its preliminary report that the Justice Department had been lax about enforcing provisions of the foreign agents' law.

Nathan B. Lenvin, chief of the department's foreign agents registration section, said his staff of five attorneys is not adequate to make an exhaustive study of all political propaganda reaching the American public via foreign agents.

R. F. Kennedy Study

Attorney General Robert F. Kennedy has undertaken an investigation to determine whether more manpower is needed in the foreign agents section, and whether the present law might be more vigorously enforced.

Even if a foreign agent places the required label on a press release, photograph or film, there apparently is no requirement that the warning be passed along to the public.

Millions of Americans saw on television a movie short entitled "Fortress Formosa," which extolled the cause of Generalissimo Chiang Kai-shek's "Free China," without realizing the film was produced by an American public relations firm, the Hamilton Wright organization, which was under contract to Chiang's government.

Free film footage is only one of several devices by which foreign agents tempt U. S. news media to carry their clients' messages to the public. In the Senate committee's growing files are case histories of newspaper and magazine reporters who have allowed public relations firms representing foreign countries to pay all or part of their expenses on supposedly objective fact-finding trips.

The Gutierrez Case

The most flagrant case of irresponsibility by news media which has yet come to light involved a 1959 deal between Alexander L. Gutierrez, then president of Mutual Broadcasting System, and the late dictator of the Dominican Republic,

Rafael Trujillo. For a cash fee of \$750,000, paid in advance, Gutierrez agreed that the Mutual network would broadcast at least 425 minutes of "news" each month favorable to Trujillo's interests. Gutierrez later was booted out of Mutual's presidency and sentenced to a prison term.

Gutierrez was not tried for failing to label political propaganda, but for failing to register as a foreign agent. Since 1954, the number of officially registered foreign agents has climbed from 271 to 411.

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